

**ASSEMBLY BILL**

**No. 66**

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**Introduced by Assembly Member Chesbro**  
**(Principal coauthor: Assembly Member Galgiani)**  
(Principal coauthors: Senators Rubio and Wolk)  
**(Coauthors: Assembly Members Bradford, Monning, V. Manuel**  
**Pérez, Solorio, Torres, Wieckowski, and Yamada)**  
(Coauthor: Senator Evans)

December 13, 2010

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An act to amend Section 10752.2 of the Revenue and Taxation Code, relating to taxation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 66, as introduced, Chesbro. Taxation: vehicle license fees.

The Vehicle License Fee Law, in lieu of any ad valorem property tax upon vehicles, imposes an annual license fee for any vehicle subject to registration in this state in the amount of 1% of the market value of that vehicle, as provided, for a specified amount of time. Existing law also, until June 30, 2011, imposes an additional tax equal to 0.15% of the market value of specified vehicles, as determined by the Department of Motor Vehicles, to the vehicle license fee, to be deposited in the General Fund and transferred to the Local Safety and Protection Account, a continuously appropriated fund.

This bill would repeal the provision relating to the sunset date and repeal of the additional 0.15% tax, thereby depositing additional moneys into a continuously appropriated fund.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 10752.2 of the Revenue and Taxation  
2 Code is amended to read:
- 3 10752.2. (a) On and after May 19, 2009, in addition to the  
4 annual license fee for a vehicle, other than a commercial motor  
5 vehicle described in Section 9400.1 of the Vehicle Code, imposed  
6 pursuant to Sections 10752 and 10752.1, a sum equal to 0.15  
7 percent of the market value of the vehicle as determined by the  
8 department, shall be added to that annual fee.
- 9 (b) Notwithstanding Chapter 5 (commencing with Section  
10 11001) or any other law to the contrary, all revenues (including  
11 penalties), less refunds, derived from fees collected pursuant to  
12 subdivision (a) shall be deposited in the General Fund and  
13 transferred to the Local Safety and Protection Account, which is  
14 hereby established in the Transportation Tax Fund.  
15 Notwithstanding Section 13340 of the Government Code, all  
16 moneys in the account are hereby continuously appropriated,  
17 without regard to fiscal year, to the Controller for allocation  
18 pursuant to Sections 29553, 30061, and 30070 of the Government  
19 Code, Section 13821 of the Penal Code, and Sections 18220 and  
20 18220.1 of the Welfare and Institutions Code.
- 21 (c) (1) In 2010 and each calendar year thereafter, the Director  
22 of Finance shall, no later than January 10 and upon the enactment  
23 of the Budget Act during the calendar year, make a written  
24 determination of whether any of the moneys derived from fees  
25 collected pursuant to subdivision (a) are being allocated by the  
26 state for any purpose not authorized by subdivision (b), and shall  
27 immediately submit his or her written determination to all of the  
28 following:
- 29 (A) The Director of the Department of Motor Vehicles.  
30 (B) The Joint Legislative Budget Committee.  
31 (C) The Senate and Assembly Appropriations Committees.  
32 (D) The Senate and Assembly Revenue and Taxation  
33 Committees.
- 34 (2) If the Director of Finance determines that any moneys  
35 derived from fees collected pursuant to subdivision (a) are being

1 allocated by the state for a purpose not authorized by subdivision  
2 (b), the Director of the Department of Motor Vehicles shall, upon  
3 receipt of the written determination, immediately cease collection  
4 of the fees imposed by subdivision (a), and shall resume collection  
5 of those fees only upon his or her receipt of written determination  
6 provided under paragraph (1) that specifies that none of the moneys  
7 derived from fees collected pursuant to subdivision (a) are being  
8 allocated by the state for a purpose not authorized by subdivision  
9 (a).

10 ~~(d) This section shall cease to be operative on July 1, 2011,~~  
11 ~~unless the Director of Finance makes the notification pursuant to~~  
12 ~~Section 99040 of the Government Code, in which case this section~~  
13 ~~shall cease to be operative on July 1, 2013.~~

14 SEC. 2. This act is an urgency statute necessary for the  
15 immediate preservation of the public peace, health, or safety within  
16 the meaning of Article IV of the Constitution and shall go into  
17 immediate effect. The facts constituting the necessity are:

18 In order to ensure the continuity of the tax system in the state  
19 and to address the current fiscal crisis, it is necessary that this act  
20 go into immediate effect.